THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The SEBI (DIP) Guidelines prohibit an unlisted company from making a public issue of equity if there are any outstanding financial instruments or any other rights which would entitle the existing promoters or shareholders any option to receive equity share capital after the initial public offering.

(c) This ensures that equity capital structure is finalised at the state of red-herring prospectus, based on which the investors take investment decisions.

Negotiation forum for RRB Staff

1937. SHRI MOINUL HASSAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government has requested Chairman, National Regional Bank for Agriculture and Rural Development (NABARD) for "Negotiation Forum" in case of Regional Rural Bank (RRB) staff;

(b) if so, whether NABARD has acted or has formed any "Negotiation Forum" for RRB staff; and

(c) the Apex Organisation which is representing majority of the officers and exployees in the Regional Rural Banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) and (c) Do not arise.

Grant to Karnataka

1938. SHRI RAJEEV CHANDRA SEKHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government of Karanataka has requested the Central Government for the release of a further grant of Rs. 286.15 crores out of the unutilized incentive fund, in terms of the recommendations of the Eleventh Finance Commission; and

(b) if so, the present status of the case and by when the money is likely to be released to the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Some State including Karnataka had requested for pro-rata distribution of the undisbursed amount of Fiscal Reforms Facility Fund (FRF) of the Eleventh Finance Commission (EFC). Government of India has informed Government of Karnataka that Twelfth Finance Commission (TFC) reviewed the Fiscal Reforms Facility and found major drawbacks in the scheme. TFC did not recommend the continuation of the Fiscal Reforms Facility and the Incentive Fund. Therefore, Government of Karnataka has been informed that it is not possible to disburse the undisbursed portion of the incentive fund as the Scheme itself has been discontinued by TFC.